

DATATEC LIMITED

Incorporated in the Republic of South Africa

Registration number: 1994/005/004/06

Share codes: JSE: DTC
OTCQX: DTTLF

ISIN: ZAE000017745

Company tax reference number: 9999/493/71/2

("Datatec", the "Company" or the "Group")

CONDENSED UNAUDITED INTERIM RESULTS FOR THE PERIOD ENDED 31 AUGUST 2025 – CASH DIVIDEND WITH SCRIP ALTERNATIVE

Datatec Limited, the international information and communications technology (ICT) group, today publishes its condensed unaudited interim results for the six months ended 31 August 2025 ("the period" or "H1 FY26") on the Stock Exchange News Service ("SENS") which are published on the Group's website: <https://www.datatec.com/interim-results.php> and available via the JSE cloudlink: <https://senspdf.jse.co.za/documents/2025/jse/isse/dtc/H1FY26.pdf>

Highlights

	Unaudited Results for the period ended 31 August 2025 "H1 FY26"	Restated ^{(i)(iv)} Unaudited Results for the period ended 31 August 2024 "H1 FY25"	% movement
Gross invoiced income (US\$ million) ⁽ⁱⁱ⁾	4,096.1	3,745.0	9.4 %
Revenue (US\$ million)	1,835.9	1,785.0	2.9 %
Gross profit (US\$ million)	483.4	432.7	11.7 %
IFRS profit after tax attributable to equity holders of the parent (US\$ million)	50.2	25.9	93.8 %
EBITDA (US\$ million)	139.0	102.5	35.6 %
Adjusted ⁽ⁱⁱⁱ⁾ EBITDA (US\$ million)	129.2	106.0	21.9 %
Underlying ^(iv) earnings per share (US cents)	19.3	13.5	43.0 %
Basic earnings per share (US cents)	21.7	11.3	92.0 %
Headline earnings per share (US cents)	22.0	10.5	109.5 %
Net asset value (US\$ million)	488.2	491.9	(0.8)%
Net debt (US\$ million)	(54.4)	(108.4)	(49.8)%
Dividend per ordinary share (ZAR cents)	175	75	133.3 %

(i) The Group's H1 FY25 revenue and cost of sales were restated following a voluntary change in accounting policy in FY25. This change in accounting policy impacted previously reported revenue and cost of sales only with no impact on the gross profit numbers presented (Refer to the Group's condensed unaudited consolidated financial statements for the period ended 31 August 2025 for further details on this restatement).

(ii) Gross Invoiced Income is a non-IFRS term and represents the gross sales of the business. Gross Invoiced Income is included as pro forma supplementary information in the Group's condensed unaudited consolidated financial statements for the period ended 31 August 2025.

(iii) Adjusted EBITDA refers to EBITDA excluding restructuring costs, share-based payments, one-off tax items impacting EBITDA and acquisition, integration and corporate actions costs.

(iv) Underlying earnings per share excludes: impairment of goodwill and intangible assets, profit or loss on sale of investments and assets, amortisation of acquired intangible assets, acquisition-related adjustments, fair value movements on acquisition-related financial instruments, fundamental restructuring costs, share-based payment charges, one-off tax items impacting EBITDA, acquisition, integration and corporate action costs, and the taxation effect and non-controlling interests on all of the aforementioned. In order to more closely align underlying earnings with Adjusted EBITDA and in line with peer reporting, the Group has decided to present underlying earnings excluding share-based payments. The change has been applied from the FY26 financial year (including H1 FY26) onwards. The comparative figure for underlying earnings per share (which is a non-IFRS earnings measure) for H1 FY25 has been recalculated in accordance with the revised definition.

Highlights (continued)

Continued **margin expansion** and **strong profit growth trajectory** in Westcon with growing recurring software and services mix

Strong operating leverage in Logicalis International driving **excellent performance**

Considerably **improved financial performance** in Latin America

AI continues to drive generational change in infrastructure required for data centres, networks and cyber security demand

Modernisation of IT infrastructure to support hybrid-cloud driving managed services and new generation of product and SaaS sales

Vendors **increasingly** relying on **channels and experienced partners** to address complex solutions, digital integration and ongoing customer support

JENS MONTANANA, CHIEF EXECUTIVE OF DATATEC, COMMENTED:

"I am pleased to report another period of outstanding operational execution and financial performance. Continued margin expansion and strong operating leverage supported further improvement in the quality of Datatec's earnings. The strong profit improvement and enhanced dividend payout ratio led to a significant increase in our interim dividend, up from 4 US cents to 10 US cents.

IT complexity is increasing rapidly, and the significant rise in interconnected digital communities is driving infrastructure demand, while the ongoing trend toward more software and services offers expanding margins, all promising better performance in FY26."

Strategic overview

Datatec's strategy is to improve shareholder returns over the medium term through a combination of corporate and business development actions aimed at enhancing the competitiveness and profitability of its subsidiaries and operating divisions.

The Group continues to see good demand for its technology solutions and services worldwide with subsidiaries well positioned to service customers in their respective markets.

The Group's Strategic Review continues to address the persistent gap between Datatec's valuation and the inherent value of its subsidiaries while also ensuring that the Group is positioned to take full advantage of the positive market dynamics for its technology solutions and services.

Recent initiatives include:

- broadening its investor relations programme;
- admission to the OTCQX trading platform in the US to increase international investor access;
- share repurchase programmes; and
- change in dividend cover policy to two-times cover relative to underlying earnings (previously three-times cover).

Current trading and outlook

Current trading conditions are marked by a higher proportion of software and services at increased margins, along with rapidly growing IT complexity that drives strong demand for our specialised services and expertise. Tight cost controls are improving gross profit to EBITDA conversion. We expect improved full-year financial performance across all our divisions, when compared to the previous financial year.

AI-ready IT and network infrastructure will become essential for most businesses. For our industry, this will also drive faster networking, distributed data centres, more local computing and increased cyber threats, all of which should continue to benefit the Group.

The Group will also persist in its efforts to unlock shareholder value within the context of its Strategic Review.

Dividend policy

The dividend policy remains unchanged with a two-times cover maintained relative to underlying earnings when declaring ordinary dividends.

Dividend

Notice is hereby given that the Board has declared an interim distribution for the six months ended 31 August 2025, by way of an interim cash dividend of 175 ZAR cents per Datatec ordinary share ("Cash Dividend") payable to the ordinary shareholders (the "Shareholders"), which will be in proportion to a Shareholder's ordinary shareholding in Datatec at the close of business on the Record Date, being Friday, 5 December 2025.

Shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive new, fully paid ordinary Datatec shares ("Shares") in proportion to their ordinary shareholding on the Record Date as an alternative to the cash dividend (the "Scrip Distribution"). The Cash Dividend has been declared and paid out of Datatec's distributable retained profits. A dividend withholding tax of 20% will be applicable in respect of the Cash Dividend to all Shareholders not exempt therefrom after deduction of which, the net Cash Dividend is 140 ZAR cents per Share.

The new Shares issued pursuant to the Scrip Distribution, will not be subject to a dividend withholding tax, and the issue price of the Scrip Distribution (which will equal the volume weighted average price ("VWAP") of Datatec's Shares traded on the JSE for the 30-day trading day period ending on Friday, 21 November 2025 less the amount of the Cash Dividend), will be settled by way of a capitalisation of Datatec's distributable retained profits.

The Company's total number of Shares is 235 352 451 as at the date of this announcement. As at Thursday, 30 October 2025, the Company has 3 206 865 Shares held as treasury Shares.

The Shareholders will be entitled to receive the Cash Dividend of 175 ZAR cents per Share in respect of their shareholding as at the close of trading on the JSE on the Record Date, being Friday, 5 December 2025, in proportion to their ordinary shareholding in Datatec and to the extent that such Shareholders have not elected to receive the Scrip Distribution alternative in respect of all or a part of their shareholding.

However, Shareholders will be entitled to elect to receive a Scrip Distribution of new, fully paid Shares in respect of their shareholding in Datatec as at the Record Date, in respect of all or part of their ordinary shareholding, instead of the Cash Dividend.

The number of Scrip Distribution Shares to which each of the Shareholders will become entitled pursuant to the Scrip Distribution (subject to their election thereto) will be determined by reference to such Shareholder's ordinary shareholding in Datatec (at the close of business on the Record Date, being Friday, 5 December 2025) in relation to the ratio that 175 ZAR cents bears to the VWAP of a Datatec ordinary share traded on the JSE during the 30-day trading period ending on Friday, 21 November 2025 less the amount of the Cash Dividend (175 ZAR cents), provided that, where the application of this ratio gives rise to a fraction of a Share, the rounding principles will be applied.

Where a Shareholder's entitlement to new Shares calculated in accordance with the above formula gives rise to a fraction of a new Share, such fraction of a new Share will be rounded down to the nearest whole number, resulting in allocations of whole Shares and a cash payment for the fraction. The applicable cash payment will be determined with reference to the VWAP of a Share traded on the JSE on Wednesday, 3 December 2025, (being the day on which Datatec ordinary shares begin trading 'ex' the entitlement to receive the Cash Dividend or the Scrip Distribution alternative), discounted by 10%.

Details of the ratio and the fractional entitlement will be announced on the Stock Exchange News Service ("SENS") of the JSE in accordance with the timetable below.

A circular providing Shareholders with full information on the Cash Dividend or Scrip Distribution alternative, including a Form of Election to elect to receive the Scrip Distribution alternative will be distributed to Shareholders on or about Wednesday, 5 November 2025 (the “Circular”). The salient dates of events thereafter are as follows:

Event	2025
Record date for Shareholders to be registered in the Company’s securities register in order to be entitled to receive the Circular	Friday, 31 October
Distribution of Circular announced on SENS on	Wednesday, 5 November
Circular and Form of Election (grey) distributed on	Wednesday, 5 November
Finalisation announcement released on SENS in respect of the ratio applicable to the Scrip Distribution alternative, based on the 30-day VWAP “ex” the Cash Dividend ending on Friday, 21 November 2025, by 11h00 on	Monday, 24 November
Last day to trade in order to be eligible for the Cash Dividend and the Scrip Distribution alternative	Tuesday, 2 December
Shares trade “ex” the Cash Dividend and the Scrip Distribution alternative on	Wednesday, 3 December
Listing and trading of maximum possible number of Shares on the JSE in terms of the Scrip Distribution alternative from the commencement of trading on	Wednesday, 3 December
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements, based on the VWAP of a Share traded on the JSE on Wednesday, 3 December 2025, discounted by 10%, by 11h00 on	Thursday, 4 December
Last day to elect to receive the Scrip Distribution alternative instead of the Cash Dividend, Forms of Election (grey) to reach Computershare Investor Services Proprietary Limited, the transfer secretaries of the Company by 12h00 on	Friday, 5 December
Record date in respect of the Cash Dividend and the Scrip Distribution alternative	Friday, 5 December
Cash Dividend payments made, and CSDP/broker accounts credited/updated with Scrip Distribution shares on	Monday, 8 December
Announcement relating to the results of the Cash Dividend and the Scrip Distribution alternative released on SENS on	Monday, 8 December
JSE listing of Shares in respect of the Scrip Distribution alternative adjusted to reflect the actual number of Shares issued in terms of the Scrip Distribution alternative at the commencement of trading on or about	Tuesday, 9 December

All times provided are South African local times. The above dates and times are subject to change. Any material change will be announced on SENS.

Share certificates may not be dematerialised or rematerialised between Wednesday, 3 December 2025 and Friday, 5 December 2025, both days inclusive. If Datatec maintains a certificated register, then the register will be closed from Wednesday, 3 December 2025 and Friday, 5 December 2025, both days inclusive.

Application to the Financial Surveillance Department of the South African Reserve Bank for the payment of the Cash Dividend and the Scrip Distribution alternative has been made and an announcement regarding the approval will be made on SENS.

Foreign shareholders

The rights to receive the Scrip Distribution in jurisdictions other than the Republic of South Africa, may be restricted by law and any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Accordingly, Shareholders will not be entitled to receive the Scrip Distribution, directly or indirectly, in those jurisdictions and shall be deemed to have elected the Cash Dividend alternative. Such non-resident Shareholders should inform themselves about and observe any applicable legal requirements in such jurisdictions. It is the responsibility of non-resident Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdictions in respect of the Scrip Distribution, including the obtaining of any governmental, exchange control or other consents or the making of any filing which may be required, compliance with other necessary formalities and payment of any issue, transfer or other taxes or other requisite payments due in such jurisdictions. Shareholders who have any doubts as to their position, including, without limitation, their tax status, should consult an appropriate adviser in the relevant jurisdictions without delay.

Other information

This announcement may contain statements regarding the future financial performance of the Group which may be considered to be forward looking statements. By their nature, forward looking statements involve risk and uncertainty, and although the Group has taken reasonable care to ensure the accuracy of the information presented, no assurance can be given that such expectations will prove to have been correct.

The Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements and there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. It is important to note, that:

- i. unless otherwise indicated, forward looking statements indicate the Group's expectations and have not been reviewed or reported on by the Group's external auditors;
- ii. actual results may differ materially from the Group's expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate;
- iii. the Group cannot guarantee that any forward looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on these forward looking statements; and
- iv. the Group disclaims any intention and assumes no obligation to update or revise any forward looking statement even if new information becomes available, as a result of future events or for any other reason, other than as required by the JSE Listings Requirements.

This results announcement is the responsibility of the directors of the Group. This results announcement is only a summary of the information contained in the full announcement and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement published on SENS and Datatec's website.

This results announcement has not been audited or reviewed by the Group's external auditors.

Results presentation

Shareholders are herewith informed that Datatec will hold a virtual presentation at 09:00 am SAST on Thursday, 30 October 2025 to present the results to investors.

Presentation details:

View and listen mode: <https://www.corpcam.com/Datatec30102025>. The presentation slides and results booklet will be available prior to the presentation on Datatec's website at <https://www.datatec.com/interim-results.php>.

On behalf of the Board

M Makanjee
Chair

JP Montanana
Chief Executive Officer

IP Dittrich
Chief Financial Officer

30 October 2025

Directors

M Makanjee (Chair)⁺, # JP Montanana (CEO), ≈ IP Dittrich (CFO), # CR Jones⁺, - SJ Everaet⁺, MJN Njeke⁺, ^ LC Rapparini⁺, DS Sita⁺

British

= *American*

- *Belgian*

^ *Brazilian*

+ *Non-executive*

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Sponsor

Pallidus Exchange Services Proprietary Limited

Transfer secretaries

Computershare Investor Services Proprietary Limited